

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 640 Section 640.101 Nature and Rate of the County Water Commission Service Occupation Tax</b>
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**TITLE 86: REVENUE**

**PART 640  
COUNTY WATER COMMISSION SERVICE OCCUPATION TAX**

**Section 640.101 Nature and Rate of the County Water Commission Service Occupation Tax**

a) Authority to Impose the Tax

The Board of Commissioners of a County Water Commission is authorized to impose a tax upon all persons engaged in the business of making sales of service at a rate of 1/4% of the selling price of tangible personal property transferred by such serviceman or person as an incident to a sale of service within the territory of the Commission as defined in Section 2 of the Water Commission Act of 1985 (Ill. Rev. Stat. 1989, ch. 111 2/3, par. 252). Presently, the County Water Commission Service Occupation Tax is only imposed by the DuPage Water Commission, and no other Commission has the authority to impose the tax.

b) Passing on the Tax

The legal incidence of the County Water Commission Service Occupation Tax (Section 4 of the Water Commission Act of 1985, Ill. Rev. Stat. 1989, ch. 111 2/3, par. 254(c)) is on the serviceman. Nevertheless, the General Assembly has authorized persons subject to this tax to reimburse themselves for their serviceman's County Water Commission Service Occupation Tax liability by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax which servicemen are authorized to collect under the Service Use Tax Act (Ill. Rev. Stat. 1989, ch. 120, pars. 439.31 et seq.), pursuant to such bracket schedules as the Department of Revenue (Department) may prescribe (see 86 Ill. Adm. Code 150.TABLE A).

c) Exclusion from "Selling Prices"

Any amount added by a serviceman to the selling price of tangible personal property sold to a serviceman for retransfer as an incident to service because of the County Water Commission Service Occupation Tax or because of the Service Occupation Tax (Ill. Rev. Stat. 1989, ch. 120, pars. 439.101 et seq.) and reimbursing amounts collected pursuant to the Municipal Service Occupation Tax, the Home Rule Municipal Service Occupation Tax, the Home Rule County Service Occupation Tax and the Regional Transportation Authority Service Occupation Tax and collected from the purchasing serviceman, shall not be regarded as a part of the selling price which are subject to such County Water Commission Service Occupation Tax.

d) Ordinance Imposing Tax

*Any ordinance imposing a County Water Commission Service Occupation Tax or effecting a change in the rate thereof shall be effective on the first day of the calendar month next following the publication of such ordinance in a newspaper of general circulation in the territory and the filing of a certified copy of such ordinance with the State Department of Revenue, whereupon the Department of Revenue shall proceed to administer and enforce the County Water Commission Service Occupation Tax, Section 4 of the Water Commission Act of 1985 (Ill. Rev. Stat. 1989, ch. 111 2/3, par. 254) on behalf of the County Water Commission as of the effective date of the ordinance.*

(Source: Amended at 15 Ill. Reg. 5770, effective April 5, 1991)